

FISCAL NOTE

Bill #: HB0513

Title: Eliminate nitrate testing requirements for single family residence

Primary Sponsor: Daniel Fuchs

Status: As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
State Special Revenue	(\$113,850)	(\$113,850)
Revenue:		
State Special Revenue	(\$113,850)	(\$113,850)
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department of Environmental Quality

1. Current staff responsibilities would be reduced by not performing nondegradation reviews under the Water Quality Act for 3,795 subdivision reviews of lots one acre or greater with single-family residences.
2. Review time per nondegradation review varies based on the complexity of the aquifers, nitrate sampling results, data available on the aquifer, type and size of sewage treatment system, cumulative impacts from other drainfields, and other factors.

3. Loss of revenue would require an estimated reduction of 1.00 FTE, grade 15 entry, if nondegradation reviews were not required.
4. The operating expenses were estimated at 10.75% of the total FY 2000 operating expenses with loss of 1.00 FTE out of 9.50 FTE for the Subdivision Review Section. (see Technical Note for discussion of work still required)
5. An estimated reduction in county reimbursement grants for counties performing nondegradation reviews for the state at \$24 per review and 66% of nondegradation reviews completed by counties [$\$24 \times (3795 \times 66\%)$]= \$60,113.
6. Individual septic systems for review estimated at 3,795 for FY 2000 and the review fee for non-degradation analysis is \$30 per drainfield ($\$30 \times 3795 = \$113,850$).

FISCAL IMPACT:

	FY2002 <u>Difference</u> (1.00)	FY2003 <u>Difference</u> (1.00)
FTE		

Expenditures:

Personal Services	(37,557)	(37,557)
Operating Expenses	(16,180)	(16,180)
Grants	<u>(60,113)</u>	<u>(60,113)</u>
TOTAL	(\$113,850)	(\$113,850)

Funding:

State Special Revenue (02)	(113,850)	(113,850)
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Revenues:

State Special Revenue (02)	(\$113,850)	(\$113,850)
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Net Impact to Fund Balance (Revenue minus Expenditure):

State Special Revenue (02)	0	0
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EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This bill would decrease revenue to the counties for the contracted counties that perform nondegradation reviews. Counties are currently reimbursed \$24 per analysis, totaling approximately \$60,113 during FY 2000.

TECHNICAL NOTES:

1. Currently the department conducts a nondegradation review for subdivisions under the Water Quality Act that includes nitrates. The department also evaluates the quality of the water supply serving the subdivision under the Sanitation in Subdivisions Act. Both analyses involve nitrate-testing requirements. This bill does not eliminate the nitrate testing under the Sanitation in Subdivisions Act to demonstrate adequate quality of water serving the subdivision.
2. The bill likely also should be effective July 1st which is the beginning of the fiscal year.